

COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AFFAIRS

Members of the Board

Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

"To Enrich Lives Through Effective and Caring Service"

February 28, 2014

To:

Supervisor Don Knabe, Chairman

Supervisor Gloria Molina

Supervisor Mark Ridley-Thomas Supervisor Zev Yaroslavsky

Supervisor Michael D. Antonovich

From:

Brian J. Stiger

Director of Consumer Affairs

QUARTERLY STATUS REPORT- IMPLEMENTATION OF SB 62 EXPANDED HOMEOWNER NOTIFICATION PROGRAM

At the meeting of the Los Angeles County Board of Supervisors on September 24, 2013, your Board directed the Director of Consumer Affairs to provide a quarterly status update on implementation of SB 62 – Expanded Homeowner Notification Program. This is the first quarterly report to your Board.

SB 62 was implemented in Los Angeles County on December 2, 2013. The program provides a mailed notification to homeowners and tenants when a Deed, Deed of Trust, Notice of Default, or Notice of Sale is recorded with the Los Angeles County Registrar-Recorder / County Clerk against their home. A \$7.00 fee is charged as part of the recording fee to pay for the costs of mailing the notification; providing counseling, information, and assistance; and administrative costs of the program. The program is designed to help victims of real estate fraud and residents facing foreclosure.

The Board has requested the following data on the SB 62 program implementation. Recorded document, revenue, and expenditure data is currently available for December and January. DCA service data is available for December, January, and February.

Document Recordings

Type of Recorded Document	# of Docs Recorded in December 2013	# of Docs Recorded in January 2014	
Deeds and Deed of Trusts	2,992	3,163	
Notices of Default and Notices of Sale	41,985	35,085	

SB 62 Revenue and Expenditures for Department of Consumer Affairs

Month	Revenue Received by DCA	Expenditures on DCA SB 62 Services	
December 2013	\$ 135,950	\$ 200,001	
January 2014	\$ 112,285	\$ 150,881	

As anticipated, December 2013 and January 2014 expenditures were high due to one-time costs of starting the new program which included equipment purchases, hiring new temporary staff, and training staff on the new program requirements. On-going program costs are projected to be lower in future months.

SB 62 Services Provided by the Department of Consumer Affairs

Type of Service	December 2013	January 2014	February 2014	3-Month Total
Counseling Calls Received	447	724	486	1,657
Real Estate Fraud Cases Opened	91	15	15	121
Foreclosure Prevention Cases Opened	16	18	52	86

SB 62 fraud cases were especially high in December 2013 because existing Homeowner Notification Program cases at DCA were reviewed and identified as eligible for SB 62.

The Department of Consumer Affairs will continue to update the Board on a quarterly basis on the status of SB 62 implementation. Our next quarterly update will be provided to your Board in June 2014.

BJS:KS

c: Executive Office, Board of Supervisors Chief Executive Officer Registrar-Recorder/County Clerk